
United States Circuit Court of Appeals
FOR THE NINTH CIRCUIT.

No. 4221. 3

COOLING TOWER COMPANY, INC., a Corporation,
Appellant and Cross-Appellee,

vs.

C. F. BRAUN & COMPANY, a Corporation,
Appellee and Cross-Appellant.

BRIEF OF COOLING TOWER COMPANY, INC.,
(Appellant and Cross-Appellee.)

UPON APPEAL AND CROSS-APPEAL FROM THE SOUTHERN
DIVISION OF THE UNITED STATES DISTRICT COURT FOR
THE NORTHERN DISTRICT OF CALIFORNIA, SECOND
DIVISION.

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No. 4221.

COOLING TOWER COMPANY, INC., a corporation,
Appellant and Cross-Appellee.

—vs.—

C. F. BRAUN & COMPANY, a Corporation,
Appellee and Cross-Appellant.

**BRIEF ON BEHALF OF COOLING TOWER CO.,
INC. (*Appellant and Cross-Appellee*).**

Statement of Facts.

The appellant and cross-appellee, Cooling Tower Co., Inc., a corporation of the State of New York, filed its bill of complaint (p. 1) against C. F. Braun & Co. a corporation of the State of California, charging infringement of U. S. Letters Patent No. 1,010,020, issued November 28, 1911, to Mitchell-Tappen Co. as assignee of Barton H. Coffey for improvements in devices for cooling liquids.

The answer of C. F. Braun & Co. (p. 5) sets up the usual defenses and includes two cross complaints. By its cross complaint, cause one, it charges the plaintiff with improper and unlawful use of the ownership of its patents and of the fact of bringing the suit, which it

charges was with the unlawful purpose of harassing, injuring, annoying and damaging plaintiff (*sic*), its agents and customers in its and their legitimate business (p. 16). By its second cross complaint, the defendant charges the infringement by plaintiff of U. S. Letters Patent for water cooling towers, No. 1,334,515, issued March 23, 1920 and No. 1,442,784 issued January 16, 1923.

By the interlocutory decree entered December 17, 1923, from which both parties appeal, it was adjudged, and decreed that the plaintiff's patent No. 1,010,020, was not infringed and that the bill be dismissed. It was further decreed that the plaintiff was guilty of unfair competition in making improper and unlawful use of its alleged ownership of various patents on Cooling Towers, including the patent in suit, that the defendant's patent No. 1,442,784 does not involve invention and was anticipated. In view of the withdrawal by the defendant of its patent No. 1,334,515, no finding was made with reference to it. It was further decree that the plaintiff be perpetually restrained from claiming that defendant's Water Cooling Devices infringe the plaintiff's patent and from threatening any customer, representative or prospective customer of defendant with litigation, etc., and that it be referred to a Special Master to take and state the damages sustained by defendant by reason of the unlawful and unfair acts of plaintiff and the profits which have accrued to plaintiff thereby and requiring plaintiff to attend and produce before the Master, such books, papers, documents, vouchers and records, as the Master may require. Costs were awarded to the defendant. A perpetual injunction was issued under this decree (p. 390).

As both parties have appealed, the parties will be referred to as plaintiff and defendant, for clarity.

The patents in suit relate to improvements in devices for cooling water by atmospheric action. The water to be cooled is delivered at the top of an open tower having a plurality of decks, one above the other, and is distributed over the upper deck, which is formed of spaced grooved bars forming gutters, it overflows these gutters and falls between the bars to a lower open deck of similar construction and thence from deck to deck to a collecting basin at the base of the tower.

The water in its descent is thus divided into fine drops or spray, which facilitate the cooling process.

The plaintiff's patent in suit relates more particularly to the construction of the "decks."

It appears that the old deck was composed of slats nailed to a frame work at intervals and spaced apart so that the water might run down or fall between the slats.

It is highly desirable that the spacing between the slats be narrow and uniform. In the old form of nailed slats the expansion and warping of the slats caused them to buckle and to come together, which detracted from the efficiency of the tower.

The problem which Coffey solved was the even spacing of the slats or bars, securing them in such manner that expansion and warping would not destroy the uniform spacing.

As explained in his patent in suit his decks are formed of "drip bars" or slats "which may be of any desired shape" and are loosely held in position by what he calls a "spline" provided at intervals between the slats. The inventor calls attention to the fact that the bars or slats are not rigidly secured together (page 1, line 50) and that an interlocking system is offered which is easily and cheaply constructed. The inventor presents two optional forms of drip bar or slat as his preferred forms but

says that deviations in shape may be made. He describes the operation of his device as follows: The liquid to be cooled is discharged and distributed over the top of the tower by means of a supply pipe and the water then drips through spaces between the slats or bars and falls to the deck below and thus passes through the successive decks of the series to a collecting pan (Patent No. 1010020, p. 1, line 75).

Considering the disclosure of the patent, in view of the prior art, we find that the invention here involved consists in providing a drip bar deck in a cooling tower, in which the bars or slats are secured to the frame of the deck and spaced apart by spacers which permit longitudinal movement or expansion of the individual bars or slats while maintaining the spacing between adjacent bars.

This had never been done in the prior art.

Ostendorff (No. 661,192) and Burborn (No. 772,780) endeavored to overcome the warping of the slats by using metal pans which would not be affected by the water, but wooden bars appear to be more satisfactory.

The plaintiff and its predecessor, Mitchell-Tappan Co., have been engaged in the manufacture and sale of atmospheric cooling towers since 1911 and its towers have gone into extensive use throughout the United States, the Philippines, Cuba, Mexico, South America and Europe (Coffey, p. 73) and they have extensively advertised their towers by catalogue distribution and in trade papers (Phillips, p. 88).

The value of the Coffey contribution to the art has been generally acknowledged.

Carl F. Braum, the president and leading spirit of the defendant corporation, saw "the superior performance of the open atmospheric type of tower" (p. 208), and

the high merit of plaintiff's device had spread its reputation across the continent when defendant wrote to plaintiff on November 21, 1914 (Plaintiff's Exhibit 1):

"We are interested in your cooling towers and would like to receive as complete information as you care to give us. We have sold a number of Alberger towers, which we used to represent but which we no longer represent, and are, therefore, looking about for something of equal or superior merit."

The Alberger tower mentioned in this letter is of the closed type as distinguished from plaintiff's open, atmospheric type.

Plaintiff answered this first letter from defendant on November 27, 1914 (Plaintiff's Exhibit No. 4) giving the particulars of its tower and enclosing its descriptive Bulletin No. 7. It said in this letter:

"Should you take up the sale of our towers energetically we will be pleased to give you complete information as to the reasons of the fall-downs in our competitor's towers and how we have avoided them."

Mr. Braun had in contemplation a trip to New York and so advised plaintiff and it was proposed that a personal interview be arranged (Plaintiff's Exhibit No. 5).

A number of inquiries were received by plaintiff from the Pacific Coast, of which plaintiff advised defendant (Exhibit No. 7) and under date, March 29, 1915, it received an inquiry from Shell Company of California (Plaintiff's Exhibit No. 17) which it answered on April

5, 1915, giving estimate and particulars (Exhibit No. 8).

While thus corresponding with the Shell Company it received a telegram from defendant, dated April 20, 1915, asking for proposition and estimates on the cooling tower to be erected at the Shell Company plant (Exhibit 23).

The information and proposition requested was sent to defendant under date April 21, 1915, in which letter plaintiff stated:

“The wood drip bars are patented and we allow you to use them in this case only” (Plaintiff’s Exhibit No. 9).

On May 17, 1915, defendant wrote to plaintiff (Exhibit No. 18):

“We are now ready to undertake the sale of your cooling towers for this State and should this be agreeable to you, we believe that this arrangement will result to our mutual profit.

There is no one that we know of locally offering cooling towers upon which he is willing to make definite guaranties. We feel quite sure that by purchasing this special apparatus *only from you* and using California redwood in the construction of the towers we can offer properly competitive figures.

There are a great many cooling towers used in this state by Ice Companies, Refrigerating Plants, Oil Refineries, steam power plants, etc., and we have bid on much of this work with the old fashioned fan type tower but secured very little business, owing to the fact that the towers were very expensive, the power consumption of

the fan was large, and the results guaranteed were not good. The last proposition that we lost was one for the Standard Oil Co., who finally purchased spray nozzles and installed a cooling pond."

The correspondence relative to the towers at the Shell Company refinery matured into an order for two towers (Plaintiff's Exhibits Nos. 31 and 32) and, as appears by the correspondence in evidence, the plaintiff sent to defendant the plans and specifications and furnished the steel work and the defendant provided the woodwork according to the instructions received from plaintiff.

On the completion of the towers plaintiff sent to defendant its name plate with notice of its patents to be placed on the towers (Plaintiff's Exhibit 47, Braun, pp. 170, 216).

It seems clear that at this time defendant conceived the idea of using the information thus acquired and plaintiff's improvements for its own benefit independent of plaintiff, as he consulted his attorney on the subject of plaintiff's patents (p. 204).

At his interview with plaintiff's officers in New York, Mr. Braun had suggested the manufacture of plaintiff's towers by defendant on a royalty basis (Phillips, p. 102) which was not satisfactory to plaintiff.

Subsequently plaintiff was informed that defendant had enlarged one of the Shell Company towers at Martinez without plaintiff's knowledge and that it was engaged in building towers which closely approximated its own in design and appearance (p. 103).

Mr. Braun, on the stand, has admitted the difficulty of obtaining access to the cooling towers of his competitors and this difficulty confronted the plaintiff, together

with the fact that plaintiff is located on the Atlantic coast and the acts of defendant were committed across the continent, on the coast of the Pacific.

Plaintiff had hoped that a tower of the defendant's construction would be erected somewhere in the East so that it might bring suit nearer home but defendant's president has admitted on the stand that no towers have been built by defendant farther East than Texas or Oklahoma.

In 1918 there was some correspondence between counsel for the respective parties relative to the infringement by defendant, and plaintiff's counsel then requested that defendant's counsel admit what structure was being made by defendant but this information was not furnished and defendant's counsel says that he did not receive the letter (p. 259).

Plaintiff hoped that the unlawful acts of the defendant would cease and hesitated to enter into an expensive litigation at so great a distance but its hesitancy appears to have emboldened the defendant to claim the inventions of plaintiff as his own, and, as a result, plaintiff was compelled to institute this suit.

The Plaintiff's Towers.

Plaintiff's cooling towers are constructed under the three Coffey patents, viz.:

No. 1,010,020 dated November 28, 1911, for the deck construction, being the patent in suit;

No. 1,027,184, dated May 21, 1912, for the water distribution or delivery system at the top of the tower, and

No. 1,158,107, applied for June 18, 1914, and issued October 26, 1915, at about the date of the completion of the Shell Company towers and covers the bracing of the

frame by means of angular brackets or louver supports.

The first patent above mentioned (1,010,020) has been discussed above, the second patent, 1,027,184, is not material to this inquiry, the third patent, however, No. 1,158,107, covers the principle and construction for which defendant contends in its patent No. 1,442,784, dated January 16, 1923.

This construction was employed by plaintiff in the Shell Company towers.

Coffey, the inventor, says in this patent (No. 1,158,107) :

“My invention relates to improvements in the organization and combination of parts in an atmospheric cooling tower whereby important gains in structural strength are obtained without increase in weight, and other advantages.”

He calls attention to the desirability of obtaining maximum strength with minimum weight, the providing of local stiffness to resist severe wind pressure to which cooling towers are subject and says that a firm support must be given the spray louvers to resist wind stresses and ice loads.

The inventor shows two types of posts, the corner posts shown in figures 2 and 5 which are positioned at the corners, and the intermediate posts, figures 3 and 4, positioned at the sides and ends of the tower, intermediate the corner posts.

These posts are shown in greater detail in the blue print drawings of the Shell towers in evidence (Plaintiff's Exhibit No. 51).

The intermediate posts include a vertical supporting chord or post 8, which extends from the ground to the

top of the tower, to which are bolted the horizontal chords or members 3, carrying the drip decks 14 and these horizontal supports for the drip deck are extended horizontally beyond the posts 8 in an extension 5. Each of the horizontal extensions 5 of the deck members is secured at its outer end to the top margin of the louver support 6 and this louver support 6 extends downwardly and inwardly at an angle of about 45° to the point of junction or engagement of the horizontal deck support and the vertical post 8, thus forming a triangle, the vertical chord of which is the vertical side post of the tower. There is also shown a vertical chord 7 connecting the outer tips of the louvers.

It was the tower constructed in accordance with these three patents and the drawings and specifications furnished by plaintiff (Plaintiff's Exhibit 51), that the defendant erected the tower at the Shell Refinery at Martinez, California, in 1915, under plaintiff's license (p. 152).

It is submitted that defendant's structure also infringes this patent but, owing to lack of information at the time the suit was brought, infringement of this patent was not charged in the bill.

The Defendant's Device.

As has been observed, Coffey was the first to discover and devise a means of attaching the slats or drip bars of a cooling tower deck in such manner that the slats would be individually secured in spaced relation to each other, preventing the springing up of the slats and at the same time allowing individual longitudinal expansion without buckling.

Coffey solved this problem by inserting between the adjacent slats or bars a member, which he called a "spline," which would space the bars and hold them securely in position and prevent their movement or displacement in all but the longitudinal direction. It also permitted the bars to be readily laid with uniform spacing between the bars, all of which is highly desirable. Mr. Braun admitted that there is considerable expansion and that the boards have a tendency to warp (p. 180).

Defendant tried the nailing of the slats but found this unsatisfactory as was admitted on the stand by Mr. Braun (pp. 203, 213, 243). It then set about to evade the wording of the claims while retaining the substance and has offered definitions of the word "spline," used in plaintiff's patent, to this end.

The first modification or substitute for the spacing device of plaintiff's patent, which defendant used, in an effort to evade the letter but retain the substance of the invention, is that shown in his sketch, Exhibit K (pp. 236, 242). As described by Mr. Braun, this is an angle plate, the upper portion of which holds down the slats, with spacing fingers cut out and bent down between the slats or bars to space them apart. As will be observed, this substitute performs the functions of the plaintiff's device in the same way (p. 236).

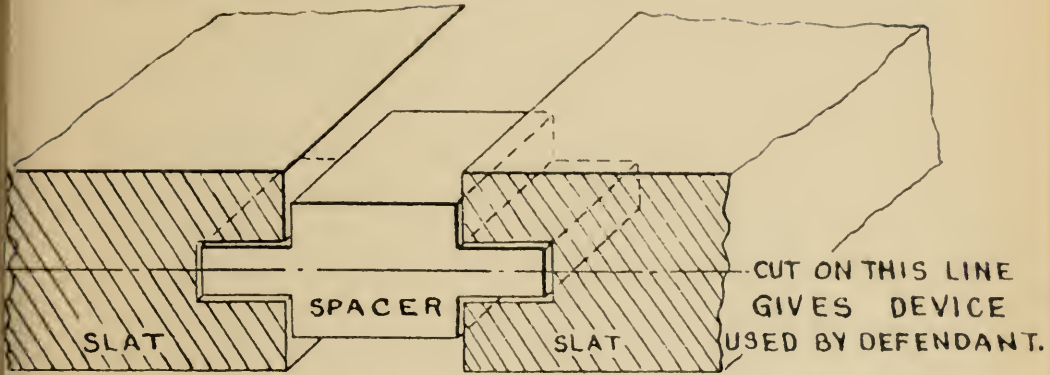
The plaintiff's device is interposed in the upward path of the movement of the slat. It spaces apart the adjacent slats. It permits only the individual longitudinal movement of the slats, and permits the slats to be conveniently laid on the deck in spaced relation.

All of these functions are performed by the substitute for the plaintiff's spacing device first used by defendant in the enlargement of the Shell Company tower at Martinez (pp. 236, 246).

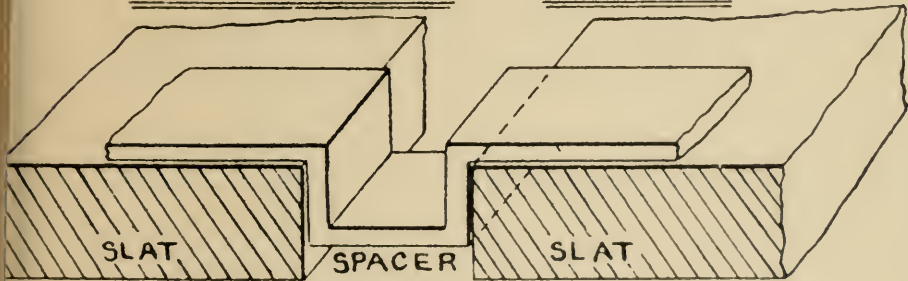
The substitute, later adopted by defendant and at present in use, is also the equivalent, both structurally and in function, of the device of plaintiff's patent. This last modification is described by Mr. Braun as a "spacing strap" (p. 244). It is a strip of metal having a spacing or spline section bent down between the adjacent slats or bars and having a horizontal section which prevents the slat from springing upward (see Fig. 3 of defendant's patent 1,334,515).

Repeating what has been said above as to the structure and function of defendant's first substitute as compared with plaintiff's device, it will be observed that this last modification also performs every function of plaintiff's device and in the same way. In fact, this last modification or substitute, used by defendant, is mechanically the spline shown in the plaintiff's patent and used in the towers at Martinez and shown in the blue prints of that tower. This blue print shows the spline as a device having two horizontal arms or extensions which prevent the vertical displacement of the adjacent slats, and a vertical section which holds the adjacent slats apart or spaces them in a horizontal plane. This is exactly what defendant has in its last substitute except that the spacer is made of metal by defendant and of wood by plaintiff. If plaintiff's spacer or spline is cut in half horizontally, it gives us defendant's device as shown on the sketch herewith.

PLAINTIFF'S SPACER



DEFENDANT'S SPACER



We find, therefore, in the device of defendant, in both its modifications, that which performs the function performed by the plaintiff's patented device in the same way and which answers every test of structural and functional exactitude with the spacer invented by Coffey.

Defendant admits this function of its device in its patent No. 1,334,515, page 1, lines 108, *et seq.*, where it is said:

"Furthermore some woods have longitudinal expansion which may be accommodated as the slats are not fixed rigidly to their support, thus preventing buckling."

The Claims of Plaintiff's Patent.

The defendant's device, in both modifications, embodies the structure of the claims of the patent in suit. Claim 5 reads:

"5. In a device of the class described a deck consisting of drip bars individually fastened at each end with space in between the bars, the adjacent bars being loosely splined together at intervals throughout their entire length."

Defendant's device is of the class described, an atmospheric cooling tower:

It has a deck; the deck consists of drip bars; the drip bars are individually fastened at each end to the frame of the tower; there is a space in between the bars; and the adjacent bars of defendant are loosely splined together throughout their entire length by the spacing straps. They are "splined" as the word is used in the patent and they are loosely splined, and this is carried from end to end throughout their entire length.

The "Spline."

The function of the splines of the patent is to space the slats apart, hold them securely against vertical displacement and at the same time permit relative longitudinal movement or sliding.

Mr. Phillips, a graduate of Stevens Institute of Technology, in answer to counsel for the defendant, defined a "spline" as

"a piece of material put in between two other pieces of material to hold them the right distance apart" (Phillips, p. 115).

Mr. Coffey explained that the construction "permits the holding of the slats in spaced relation and permitting expansion without warping."

In defendant's Braun patent No. 1,334,515 the word "spline" is used to describe the slats running across the deck and sunk into the bars to dam the troughs (Patent No. 1,334,515, p. 2, l. 85). Braun called his boards "splines" (p. 178) and attempted to distinguish between his device and plaintiff's spline by the statement that his device was attached to the support (p. 238).

Specification of the Errors Relied Upon.

The specification of errors filed by the appellant, the Cooling Tower Co., Inc., and upon which it relies on this appeal, are as follows:

1. That the said United States District Court for the Northern District of California, Southern Division, erred in that it erroneously decreed that:

That plaintiff's patent sued on No. 1,010,020 issued to the Mitchell-Tappan Company as as-

signee of Barton H. Coffey on the 28th day of November, 1911, even if valid, is not infringed and the Bill is dismissed.

2. That the said United States District Court for the Northern District of California, Southern Division, erred in that it erroneously decreed that:

That the plaintiff has been guilty of unfair competition against the defendant by making improper and unlawful use of its alleged ownership of various patents on Cooling Towers, including the patent aforesaid in suit, and has unlawfully and without justification threatened, both orally and in writing, defendant's customers and prospective customers with suits for infringement if they used defendant's devices and has otherwise unlawfully intimidated, harassed and annoyed defendant's said customers, and has disseminated malicious and untrue representations against defendant and its officers in an endeavor to secure the trade of the defendant and to injure the reputation, business and good-will of the defendant, and has otherwise injured and damaged defendant in its legitimate business.

3. That the said United States District Court for the Northern District of California, Southern Division, erred in that it erroneously decreed that:

That no finding is made with respect to the first Braun patent No. 1,334,515, dated March 23rd, 1920, set up in defendant's Counter-Claim, in view of the withdrawal of said patent from suit by defendant.

4. That the said United States District Court for the Northern District of California, Southern Division, erred in that it erroneously decreed that:

That a Writ of Injunction shall issue out of this court perpetually adjoining and restraining the plaintiff, its officers, directors, clerks, attorneys, servants, workmen, agents and employees, and others acting under their direction, from issuing letters or advertisements or publishing statements in any form whatsoever, either written or oral, claiming that defendant's Water Cooling Tower devices infringed said alleged Letters Patent No. 1,010,020, or any other Letters Patent of plaintiff, and from sending circulars or letters to any customer or representative or prospective customer of this defendant threatening such person or persons with litigation or prosecution, or with the costs and expenses of litigation, or otherwise publishing statements, either written or oral, intended, or by a reasonable construction likely or apt, to cause injury or damage to this defendant in the business of manufacture, use and, or sale of said Water Cooling Towers.

5. That the said United States District Court for the Northern District of California, Southern Division, erred in that it erroneously decreed that:

That the matters affecting said Counter-Claim for unfair competition be and the same is hereby referred to the Hon. HARRY M. WRIGHT, as Special Master in Chancery of this Court, to take and state the damages which defendant has sustained by reason of such unlawful and unfair acts of

plaintiff and also the profits which have accrued to plaintiff by reason of its unlawful acts as aforesaid; and the plaintiff, its directors, officers, clerks, attorneys, servants, workmen, agents and employees, and others acting under their direction, are hereby directed and commanded to attend before said Master from time to time, as required, and to produce before him such books, papers, documents, vouchers and records as the Master may require.

6. That the said United States District Court for the Northern District of California, Southern Division, erred in that it erroneously decreed that:

That the defendant do recover of the plaintiff, its costs and disbursements in this suit, in accordance with the Rules of this Court; and that the question of increase of damages and all further questions be reserved until the coming in of the Master's Report.

7. That the said Court erred in that it erroneously found and decreed that the plaintiff's patent No. 1,010,020 was not infringed by the defendant.

8. That the said Court erred in that it erroneously decreed that the bill of complaint be dismissed.

9. That the said Court erred in that it erroneously found and decreed that the plaintiff has been guilty of improper or unlawful use of its alleged ownership of various patents on Cooling Towers.

10. That the said Court erred in that it erroneously found and decreed that the plaintiff had been guilty of

improper or unlawful use of its ownership of the patent in suit.

11. That the said Court erred in that it erroneously found and decreed that the plaintiff did unlawfully or without justification threaten defendant's customers or prospective customers with suits for infringement if they used defendant's devices.

12. That the said Court erred in that it erroneously found and decreed that the plaintiff did unlawfully intimidate, harass or annoy defendant's customers.

13. That the said Court erred in that it erroneously found and decreed that plaintiff did disseminate malicious and untrue representations against defendant.

14. That the said Court erred in that it erroneously found and decreed that the plaintiff had done any unlawful or improper acts or things in an endeavor to secure the trade of the defendant or to injure the reputation, business or good will of the defendant or otherwise, or that plaintiff did in any manner injure or damage the defendant in its legitimate business or otherwise.

15. That the said Court erred in that it erroneously found and decreed that a writ of injunction should issue against the plaintiff, its officers, workmen, agents, employees or others acting under its direction.

16. That the said Court erroneously decreed that the plaintiff be enjoined or restrained from claiming that defendant's water cooling towers infringe Letters Patent No. 1,010,020.

17. That the said Court erroneously decreed that plaintiff be restrained from claiming that defendant's water cooling towers infringe any Letters Patent of plaintiff.

18. That the said Court erroneously decreed that plaintiff be restrained from sending circulars or letters to any customer or representative or prospective customer of defendant threatening such person or persons with litigation or prosecution or with costs and expenses of litigation or otherwise publishing statements intended or by reasonable construction likely or apt to cause injury or damage to defendant in the manufacture, use or sale of water cooling towers.

19. That the said Court erred in that it erroneously decreed that the defendant recover of plaintiff, the costs and disbursements of this suit.

20. That the said Court erred in that it erroneously found that the patent in suit of plaintiff has novelty only in one respect.

21. That the said Court erred in that it erroneously found that the patent or invention of plaintiff "consists of what is known as a 'spline' which is a spacing device placed between the various parts of the drip deck to keep them apart and at the same time to take up the necessary expansion or warping due to the presence of the liquid and the passage of the air over the parts."

22. That the said Court erred in that it erroneously found that the defendant in place of using the movable spline or piece of wood to separate the parts of the deck, had adopted a metal strip, consisting preferably

of brass or copper which is fastened across the drip bars or integral parts of the drip deck so that they can expand not only latitudinally but longitudinally.

23. That the said Court erred in that it erroneously found that there is doubt as to whether or not the spline of plaintiff constitutes novelty.

24. That the said Court erred in that it erroneously found and decreed that the Court having found that the device of the defendant is not an infringement of the patent of plaintiff, the injunction prayed for by the answer, restraining the plaintiff from interfering with the business of the defendant in the manner set out in the cross bill will be granted.

25. That the said Court erred in that it did not find, adjudge, and decree as requested by plaintiff, that the defendant has infringed the plaintiff's patent 1,010,020.

26. That the said Court erred in that it did not find, adjudge, and decree as requested by plaintiff, that the manufacture and sale of the device of the defendant constitutes an infringement of the plaintiff's patent 1,010,020.

27. That the said Court erred in that it did not find, adjudge and decree as requested by plaintiff, that the defendant be enjoined and restrained from infringing plaintiff's letters Patent No. 1,010,020.

28. That the said Court erred in that it did not find, adjudge and decree as requested by plaintiff, that the defendant be required to account for and pay to plaintiff the profits and the damages suffered by plaintiff thereby.

29. That the said Court erred in that it did not adjudge and decree as requested by plaintiff, that the plaintiff recover costs against the defendant.

30. That the said Court erred in that it erroneously permitted Carl F. Braun, a witness on behalf of defendant, to testify, over the objection of plaintiff, to conversations with an employee of Union Oil Co.

31. That the said Court erred in that it erroneously admitted over the objection of plaintiff incompetent and hearsay testimony of the witness Carl F. Braun on behalf of defendant as to alleged acts and conversations of one Fleming.

32. That the said Court erred in that it erroneously admitted over the objection of plaintiff incompetent and improper testimony of the witness Carl F. Braun as to alleged acts and conversations of one Fleming.

33. That the said Court erred in that it erroneously admitted over the objection of plaintiff incompetent, improper and hearsay testimony of the witness Carl F. Braun, on behalf of defendant, as to alleged acts and conversations of one Fleming.

BRIEF OF THE ARGUMENT.

POINT I.

The Court erroneously found that the plaintiff's patent in suit No. 1,010,020, dated November 28, 1911, covering the deck construction, if valid, is not infringed.

The feature disclosed in this patent and which it is claimed is infringed by the defendant is the novel deck construction, which comprises a plurality of slats or bars held in spaced relation by a spacer, which the inventor calls a "spline," which comprises a body section inserted between the slats or bars, thereby maintaining the spacing between them, and an offset section or wing on each side of the body section which engages the adjacent slats without being rigidly secured thereto, so that the slats may expand and contract longitudinally without warping or destroying the spacing.

The defendant on the trial asserted that there appears to be, in the patent drawing, a strap surrounding several drip bars, which the defendant contends would prevent the slats from freedom of longitudinal movement, and in the model which the defendant has constructed and produced, a strap is built around the model constructed of rigid metal and holds the slats against longitudinal expansion. This, however, is a creation of the defendant and it is obvious that it is not the construction invented by Coffey and that Coffey does not teach or intend to teach in his contribution to the art, that there should be fixed means to prevent the longitudinal expansion of the slats, the very thing which his invention sought to permit. A reading of the Coffey specification and drawings discloses that Coffey desired and intended to produce a deck

in which the several slats were to be permitted individual longitudinal expansion and his patent drawings show straps at the two short ends only. It is not conceivable that the inventor would show or use a surrounding band which would destroy the very object which he sought to attain.

No patent or device of the prior art had ever suggested or shown a cooling tower deck in which longitudinal expansion and contraction of the individual slats is permitted and the inventor is entitled to the fruits of his invention.

The defendant has sought to circumvent the invention by means of a device which is the equivalent in structure and function as well as mechanically of the Coffey invention. The defendant's spline or spacer is constructed of metal instead of wood as used by Coffey and has been described above. This device produces the same result attained by Coffey and in the same way. If the Coffey spacer is split horizontally on its medial line, we find the exact device of the defendant. There is a central body positioned between two adjacent slats and wings on each side of this central body, which engage the slats, permitting longitudinal movement between the individual slats but preventing their warping or displacement both laterally and vertically. No further argument would appear to be necessary to show beyond question the structural, mechanical and functional identity of the two structures.

It is submitted that Coffey made a valuable contribution to the art and that the defendant's device clearly infringes that patent.

Defendant constructed its first tower under license of plaintiff and thus admitted the validity of the patent.

The Court will look through the disguises, however ingenious, to see whether the inventive idea of the original patentee has been appropriated and whether the defendant's device contains the material features of the patent in suit and will declare infringement even when these features have been supplemented and modified to such an extent that the defendant may be entitled to a patent for the improvement.

Crown Cork Co. v. Aluminum Stopper Co., 48
C. C. A. 72.

If the infringing device performs the same functions as the patented device in substantially the same way it is immaterial that it also performs some other function.

Comptograph v. Mechanical Accounting Co.,
76 C. C. A. 205.

All the elements of the patent combination are employed with substantial identity in their use, and departure appears from the *letter* of the claim only, in the arrangement of these elements, without substantial difference in the principle of operation. The policy and rules of the patent law require that the patentee be protected against such evasions of the wording of the claim, form or nonessential details when the substance of the invention is thus used and is unmistakably shown in the specifications and claims.

Columbia Wire Co. v. Kokomo Steel Co., 74
C. C. A. 310.

One may not escape infringement by adding to or subtracting from a patented device, by changing its form or by making it more or less efficient, while he retains its

principle and mode of operation and attains its result by the use of the same or equivalent means.

Lowrie Implement Co. v. Leuhart, 64 C. C. A. 456.

The Court below appears to have misapprehended the device of defendant. After briefly describing the spacing device of plaintiff's patent, the Court said "the defendant in place of using this movable spline or piece of wood to separate these parts of the deck, has adopted a metal strip, consisting preferably of brass or copper, which is fastened across these drip bars or integral parts of the drip deck so that they can expand not only latitudinally but longitudinally (p. 385).

It is evident that the defendant's spacing strap which is bent down between the adjacent bars is intended to and does produce and maintain lateral spacing and prevents the latitudinal displacement or expansion of the slats. It is this important latitudinal spacing function of the defendant's device which the Court appears to have overlooked and misapprehended.

The defendant in its patent No. 1,334,515, in which this spacer is shown, describes them as metal bars crimped to provide slat-embracing loops and connecting, spacing and attaching portions, as shown in Fig. 3 (Braun patent No. 1,334,515, p. 1, l. 90). Inspection of the drawing of this spacer of the defendant as shown in Figure 3, of patent 1,334,515, and the spacer itself, as shown in the model before the Court, will at once show the error into which the Court has fallen.

Mr. Hagenbuch described these spacers of the defendant as "distance pieces" (p. 146) and Braun himself admitted that the object of the defendant's "crimped ribbon," as he called it (p. 178), is to permit longitudinal

expansion of the slats to keep them evenly spaced (p. 179), and he admitted that there is considerable expansion in the slats and a tendency to warp (p. 180). He also said that their purpose is to allow a longitudinal expansion of the deck boards (p. 221).

Mr. Braun also admitted that defendant's spacers serve to hold the slats in two directions and that the slats are thereby fastened against lateral expansion and vertical expansion but not against longitudinal expansion (p. 248).

POINT II.

The District Court erroneously decreed an accounting by plaintiff.

This is a matter of such grave and serious importance to appellant, Cooling Tower Company, that it unquestionably transcends every other feature of the case.

The paragraph of the decree relative to the accounting is as follows (p. 389) :

That the matters affecting said counterclaim for unfair competition be and the same is hereby referred to the Hon. Harry M. Wright as Special Master in Chancery of this Court, to take and state the damages which defendant has sustained by reason of each unlawful and unfair act of plaintiff and also the profits which have accrued to plaintiff by reason of its unlawful acts as aforesaid; and the plaintiff, its directors, officers, clerks, attorneys, servants, workmen, agents and employees, and others acting under their direction, are hereby directed and commanded to attend

before said Master from time to time, as required and to produce before him such books, papers, documents, vouchers and records as the Master may require.

Plaintiff is a reasonably prosperous corporation of the State of New York, having its office, books and records in that state and the removal of the books and records to California would result in great loss and inconvenience, while the attendance of its officers and employees in California would entail great expense.

In the opinion filed by the Court (p. 384) no mention is made of an accounting, and there was no proof before the Court sufficient to support defendant's prayer for an accounting.

It appears that on or about July 1, 1918, a letter was written by plaintiff to the Union Oil Company of California (p. 18) and on July 11, 1918, a letter was written by plaintiff to Standard Oil Company (p. 20), both in answer to letters received from them, in which its dealings with Braun were referred to and in which it mentioned its patent rights. Plaintiff, by its answer admitted these letters and it is submitted that plaintiff was entirely within its rights in sending these replies to the inquiries made, but in any event the statute of limitations, which plaintiff pleaded by leave of the Court (pp. 325-326) is a bar to any claim which might arise therefrom.

There is no proof whatever to support the allegations of the cross complaint (pp. 15-36) to the effect that plaintiff ever made any general circulation of threats of prosecution and the like.

The testimony presented by defendant relating to any such acts is contained within pages 310 to 338 of the Transcript of Record.

Carl F. Brann, testified (p. 310) that after this correspondence of 1918 no complaint as to plaintiff's alleged wrongdoing came to the attention of the defendant until 1922. Defendant attempted to show that at that time certain reports were received from customers as to a Mr. Fleming (p. 310) but defendant acquiesced in the exclusion of this testimony and said that it would not press the matter (p. 310).

It appeared that a letter was written to this Mr. Fleming and that the "annoyances" then abated (pp. 313-314). This Fleming was not employed by nor connected with plaintiff in any way except that he solicited orders for plaintiff's cooling towers. Mr. Brann was permitted to testify over objection, that prior to the letter of plaintiff to Standard Oil Company in 1918 defendant had enjoyed a substantial business with that company but following the letter of 1918 it did not receive any substantial business from that company (pp. 316-317), but it was not shown that the Standard Oil Company purchased any cooling towers from plaintiff or from others (p. 317), and in defendant's letter (Exhibit 18, May 17, 1915) it admitted that it had lost the Standard Oil Company tower before that date.

Mr. Brann testified that in the case of the Union Oil Company, who had purchased defendant's towers, the defendant quoted them on another tower and was informed by W. R. Cowan of the Gas Division that they had purchased from plaintiff a tower upon which defendant had bid (p. 325). He also testified that "Mr. Cowan gave me specific reasons for not giving us the contract" (p. 326) * * * "They pertained to the acts of Mr. N. O. Fleming, the representative of the plaintiff" (p. 326). It did not appear what these alleged acts of Mr. Fleming were and Mr. Cowan, the alleged customer, was not called. Mr. Brann admitted that he

had never seen any letter or evidentiary matter emanating from plaintiff or from Mr. Fleming bearing upon the loss of any sale (p. 329).

Mr. Braun could not definitely fix the date of his conversation with Mr. Cowan, but admitted that the letter of 1918, written by plaintiff to Union Oil Company resulted in no damage to the defendant (p. 340) and that it subsequently sold its towers to that company (p. 338).

It is submitted, therefore, that there was no proof before the Court to sustain the very drastic decree for an accounting.

Mr. Braun testified that Mr. Cowan told him that Mr. Fleming had stated that defendant was using the Cooling Tower Company's design and that the Cooling Tower Company intended to sue C. F. Braum & Co. for patent infringement and that "he could not see how the Cooling Tower Company could lose" (p. 336). There was no suggestion that it was said that any suit would be brought against Union Oil Company nor against any one other than defendant nor was there any suggestion that the purchase of the defendant's tower by Mr. Cowan would be in any manner interfered with, and it is admitted by defendant that Union Oil Company bought four cooling towers from the defendant at different times during the two years following the Cooling Tower Company's letter to Union Oil Company in 1918 (p. 338). It appears that the plaintiff has never sent out any letters charging infringement by defendant except the two letters of 1918 to Union Oil Company and Standard Oil Company which caused no injury or damage to defendant and upon which any claim is barred by the statute of limitations and that nothing has ever been done or authorized by plaintiff which might in any way or manner be deemed to be an invasion of the rights

of the defendant. The statement attributed to Mr. Fleming, who is not an employee of plaintiff, but who was soliciting orders on his own account, cannot be construed to be a wrongful invasion of the rights of the defendant for which an action would lie against plaintiff. To require plaintiff, because of this single remark of Mr. Fleming, which was never repeated, to bring its books and records from New York to San Francisco and to send its officers and employees across the Continent would be a hardship and entail a loss entirely incommensurate with any result which might possibly be attained. It would greatly injure the plaintiff without benefit to the defendant.

Defendant says that the reply of the plaintiff to its cross bill admits the acts charged. The plaintiff by its reply (p. 44) denies the allegations of the cross complaint. It specifically denies the allegations contained in the several paragraphs as will appear by the concluding clause of each paragraph of the reply and asserts that each and every statement and communication made by it was made properly and in the regular and lawful prosecution of its business. The only statements made by the plaintiff to the trade as to its patent rights were the notices of the patents carried in its catalogues and marked upon its patented devices and this is what it was required to do under the patent laws.

POINT III.

The District Court properly found and decreed that Defendant's Patent No. 1,442,784 does not involve novelty and appears to be anticipated.

This patent 1442784 of January 16, 1923, shows an atmospheric cooling tower of the open type, comprising

a plurality of spaced slat decks, with inclined louvers at each deck supported by the projecting ends of the horizontal deck members. As Braun says, in his specification (p. 1, l. 65) "the horizontal members project a considerable distance from the vertical face of the posts, thus forming out bearing supports for the louvers."

This patent was applied for by Braun on April 28, 1920, and was issued after the bill was filed. The old cooling towers which defendant erected under the license of plaintiff in 1915, five years before the filing of this patent application, had these louvers supported at each deck in the position shown in the defendant's patent and in similar manner, as appears by the blue prints of the Shell construction (Plaintiff's Exhibit 51) and plaintiff's patent No. 1158107 (Exhibit No. 50).

Defendant asserts that his louver supports differ from those of the prior art in that the deck timbers are extended beyond the supporting posts of the tower, in one integral piece, while in the towers which he erected in 1915 at the Shell Co. plant, under plaintiff's license, two pieces or sections were used, one of which, being bolted to the inner side of the supporting post, formed the deck support and the other section or extension, being bolted to the outside of the posts, and extending to the top of the louver formed the louver support.

It is contended by defendant that this one piece deck timber is an improvement over the old one piece support only in that it gives added strength.

The object of Braun, the inventor, as stated in the preamble of his patent, is to provide a cooling tower "which is of simple construction and so designed as to be formed from composite units formed at the plant and adapted to be readily assembled at the point of installation, thereby insuring that the erection process may be

rapidly carried on and that the cooling tower when finished will be of predetermined standard design."

This is again repeated for greater emphasis at lines 78 to 88 on page 2 of the patent and in the proceedings before the Patent Office (Paper No. 8, Dec. 14, 1921), where applicant differentiates his device from that of Hart, 1228207, cited by the Patent Office, by saying:

"Heretofore in building cooling towers it has been common practice to cut the material at the point of erection. This has proved to be expensive, and for that reason applicant has provided a tower, sections of which are assembled in units, and which units may be readily connected to form a tower of the desired capacity."

At no place in his specification nor in his proceedings before the Patent Office did Braun ever suggest that his object or intention was to give added strength to his structure and, in fact, he negatives this idea at lines 98 to 102 of page 1 of his specification where he suggests:

"If the length of section 14 (the louver) is excessively great intermediate boards 18 may be used to secure the various louver boards 17 in position *and prevent them from sagging.*"

Braun contemplated and shows in his patent a structure in which there were no intermediate supporting posts between the corner posts and no intermediate brackets between the end brackets. His intermediate board 18, shown only in Figure 2, was not intended to be and is not shown nor described as a bracket and no vertical post to which this board 18 might be attached is shown or indicated.

Braun had no idea of attaining any strength by his device and the suggestion now advanced for the first time by Prof. Moser is an afterthought brought about by the modification of the tower shown in defendant's models and doubtless constructed under the advice of Prof. Moser. The device of defendant's patent would not stand the stress and load of wind and ice.

Plaintiff's inventor Coffey by the device disclosed in plaintiff's patent No. 1158107 was the first to construct a cooling tower with the object of using the louver supports for strengthening the tower. For some unknown reason, probably through oversight or because the strengthening function now advanced was not presented before the Patent Office, the plaintiff's patent No. 1158107 was not discovered in the Patent Office. It is submitted that the Coffey device constitutes a complete anticipation of the Braun claims.

The decks and louver supports of Coffey, while mechanically one piece as described by Braun, were actually two pieces secured at their adjacent ends to the vertical posts and Prof. Moser agrees that if these two pieces are attached rigidly they constitute together the equivalent of the Braun device (pp. 345, 346, 355). In answer to a question propounded by the Court, Prof. Moser admitted that if two screws were used in his model of the Coffey structure we would have the equivalent of Braun (p. 356). His only criticism of the old Coffey device of 1914 was that it was not as strong as that of Braun. There is, however, no known case where the Coffey device has collapsed because of lack of strength and it is sufficiently strong to bear all stresses to which it is subjected. It is submitted that the Shell tower erected at Martinez in 1915 constitutes a complete anticipation of the claims of the Braun patent.

Plaintiff is not, however, compelled to rely solely on this old structure. In the Schmidt patent No. 693625, February 10, 1902 (Defendant's Exhibit T) is shown a horizontal deck beam carried beyond the supporting posts and connected at its extreme end to a louver which it supports.

Furthermore, the tower of Hart, shown in his patent 902875 (Exhibit P), is described by Coffey as follows:

"His method of support consisting of extending the members supporting his decks beyond the side post of his tower and attaching same to an inclined member which was in turn secured at its other end to the deck below, thus forming a series of triangles whose third side consisted of this side post, to these inclined members the louvers consisting of either metal or wood were secured by appropriate fastening" (p. 96).

Coffey saw this old Hart tower first about 1910 (p. 99).

Phillips also saw the Hart tower in the summer of 1913 at the plant of Elder & Wells, 17th Street and 9th Avenue, New York; he said:

"The louvers were supported by angles carried out horizontally from the deck level, the outer ends of these angles being held up by a diagonal brace running back to the tower frame" (p. 105).

The joinder of two elements into one integral part, accomplishing the purpose of both and no more is not invention.

That which infringes if later would anticipate if earlier.

Knapp v. Morss, 150 U. S. 221.

It is not invention to make solid, parts previously used separable.

Rogers on Patents, Vol. 1, page 14.

The substitution of material is not invention. *Ibid.*

The right to improve upon prior devices by making solid in lieu of jointed work on attached parts is so universal in the arts as to have become a common one.

Consolidated Electrical Mfg. Co. v. Holtzer,
67 Fed. Rep. 907.

There is no proof in the case that plaintiff erected the alleged tower at the Pasadena ice plant or elsewhere in California. Plaintiff has done no construction or erection work in this State or district (p. 274).

POINT IV.

The District Court erroneously decreed that an injunction issue against the plaintiff.

The paragraph of the decree relating to the injunction is as follows:

That a writ of injunction shall issue out of this Court perpetually enjoining and restraining the plaintiff, its officers, directors, clerks, attorneys, servants, workmen, agents and employees, and others acting under their direction from issuing letters or advertisements or publishing statements in any form whatsoever, either written or oral, claiming that defendant's Water Cooling Tower

devices infringe said alleged letters patent No. 1010020, *or any other letters patent of plaintiff*, and from sending circulars or letters to any customer or representative or prospective customer of this defendant threatening such person or persons with litigation or prosecution, or with the costs and expenses of litigation, or otherwise publishing statements, either written or oral, intended, or by a reasonable construction likely or apt to cause injury or damage to this defendant in the business of manufacture, use and/or sale of said Water Cooling Towers (p. 388).

This injunction, if literally enforced, would prevent plaintiff from recourse to the courts for any cause against a customer or prospective customer of defendant.

The plaintiff has brought this suit for infringement of Letters Patent No. 1010020, only one of its several patents, which patent the Court has not found to be infringed. It was shown on the trial that the defendant has several times modified the form and details of its construction and that at least one of the other patents of the plaintiff is probably infringed at this time by the latest modification of defendant's device. It does not appear that plaintiff has ever made or authorized any threats of suit or other interference with the business of the defendant.

It is most unjust to deprive plaintiff of the right to maintain suits in proper cases against infringers of its patent rights, and yet the decree and the injunction issued in this case enjoins the plaintiff from ever asserting in any manner that any device of the defendant constitutes an infringement of any patent which plaintiff now owns or which it may hereafter acquire.

By this decree the plaintiff is branded as an outlaw and deprived of all rights under the patent laws so far

as the defendant, its customers and prospective customers are concerned. The attorneys of plaintiff are by the terms of the decree and injunction perpetually restrained and enjoined from expressing an opinion that any past or future device of the defendant infringes any patent which the plaintiff now owns or may hereafter acquire.

A mere statement of the proposition is sufficient to show the injustice of the decree appealed from.

A patentee has a right to notify persons using his device of his claims and to call attention to the fact that by using or selling it they are making themselves liable to prosecution.

Kelley v. Ypsilanti Dress Stay Mfg. Co., 14
Fed. Rep. 19.

In the *Ypsilanti* case, the Court said:

“It would seem to be an act of providence, if not of kindness, upon the part of a patentee, to notify the public of his invention and warn persons dealing in the article of the consequences of purchasing from others.”

The owner of a patent may lawfully warn others against infringement and give notice of his intention to enforce his right if done in good faith.

Adriance P. & C. v. National Hardware Co.,
58 C. C. A. 163;

Warren Featherbone Co. v. Landauer, 151
Fed. Rep. 130;

Mitchell v. International Tailoring Co., 169
Fed. Rep. 115;

Virtue v. Creamery Package Mfg. Co., 102
C. C. A. 413.

POINT V.

The Court erroneously awarded costs to the defendant.

The defendant in this case charged the plaintiff with infringement of Letters Patent Nos. 1,442,784 and 1,334,515.

On the trial of the suit and after plaintiff had been put to the expense of preparing its defense, the defendant withdrew the charge that plaintiff had infringed the first Braum patent No. 1,334,515 (p. 265) and the Court found that the second patent of the defendant, No. 1,442,784, does not involve novelty and is anticipated (p. 388).

Under the provisions of U. S. Rev. Stat. 973, no costs shall in such case be recovered.

It is further submitted that under all of the circumstances and facts of the case, the award of costs to the defendant was improper.

POINT VI.

In Conclusion.

It is submitted that the defendant C. F. Braun & Co. has been shown to use unlawfully, the device of plaintiff's patent and that it continued to do so at the time of the trial and that plaintiff is entitled to a decree for an injunction and accounting.

It is further submitted that the device of defendant's patent was old and well known prior to the alleged invention of Braun and antedates his alleged invention

by many years, that his device is at most the result of mechanical skill and did not involve invention and was properly decreed to be void for anticipation and want of invention and novelty.

It is further submitted that plaintiff has not been shown to have made, used or sold the combination of the patent, and that plaintiff was not shown to have been guilty of any act of unfair competition in business and that it has not done any act or thing to the injury of defendant.

The several errors relied upon are set forth at length in the assignment of errors.

The decree should be reversed in so far as it is decreed that plaintiff's patent No. 1,010,020 is not infringed, that plaintiff has not been guilty of unfair competition, that plaintiff be enjoined as therein provided, that a reference is ordered, that plaintiff account for damages and profits, and that defendant recover costs and should be affirmed as to the invalidity of defendant's patent No. 1,442,784 and it should be decreed that plaintiff's patent No. 1,010,020 has been infringed by defendant, the defendant should be enjoined and restrained from further infringement thereof and decreed to account to plaintiff for and pay the profits derived by it from its infringement of plaintiff's said patent and the damages sustained by plaintiff and the appellant Cooling Tower Co. should recover its costs.

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